

National Water Division Directors Meeting

Sheraton Suites Old Town Alexandria, Virginia

801 N. Saint Asaph Street 22314

September 10 – 12, 2013

Day 1 – Tuesday, September 10 -- EPA Only Attendees

- Noon – 1pm Informal Lunch for all who are available: Hotel Restaurant is not open during lunch; instead, it offers lunch through a pre-order menu. Orders must be in to Diane Sanelli by 9am Sept. 10. Individuals pay separately upon receipt of food.
- 1:00 – 1:25 **Welcome and Opening Remarks: Stoner/OW & Garcia/Hoskie/Region 8**
Introductions and Meeting Agenda Overview (Sadie Hoskie/Bert Garcia)
- 1:30 – 2:30 **Nutrients**
Purpose: Make a decision on how to make progress on permitting nutrients at POTWs in states w/out numeric nutrient criteria and with few TMDLs for nutrient-related impairments.
Expected Outcome: Agreement on proposed next steps to discuss with the States on Day 2
Presenter(s): Tom Wall/OWOW; Deborah Nagle/OWM; Tinka Hyde/R5; (perhaps additional Regions)
Discussion Questions: How flexibly should we use our tools (e.g., compliance schedules, staged implementation of TMDLs, variances) to support incremental progress towards long-term goals, particularly where States are not making strong progress towards adopting NNC and have few TMDLs for nutrient-related impairments? What are acceptable interim limits? For how long? In what circumstances? Based on current Regional approaches, are their key lessons learned re: best practices and situations to avoid? Can we agree on some steps all Regions should pursue with their States?
- 2:30 – 4:00pm **Budget Discussion**
Purpose: Discuss and determine how to most effectively manage and implement Water Programs given declining resources.
Expected Outcomes: Acknowledge the impacts and responses in Offices and Regions in light of declining budgets. Discuss approaches available to adjust to declining budgets. Arrive at a common understanding of our roles in informing and making these decisions.
Presenters: Mike Shapiro/OW, Bert Garcia/Sadie Hoskie/R8
Discussion Questions: How do we balance maintaining a functioning National Water Program and providing for regions and states to adapt to their differing environmental challenges? What roles do OW senior managers, Office Directors, and Regional Water Division Directors have in informing and making these decisions? What can we learn from resource management decisions made in FY13 that helped or should have been done differently that might apply to FY14?
- 4 - 4:15 pm **Break**

4:15 – 5:15 pm **Stormwater Petitions**

Purpose: Discuss the petitions some regions have recently received and discuss options for responding to them. Background: Several environmental organizations petitioned Regions 1, 3, and 9 to designate and require NPDES permits for existing discharges that discharge stormwater into all water bodies in the region that are impaired for certain pollutants. EPA has 90 days to respond to these types of petitions. This 90-day time frame ends the first week in October. Although this action affects only 3 regions, the manner with which we respond will set a precedent for responding to future petitions. HQ will provide brief background on petitions. Each Region (1,3, 9) will discuss their capacity issues, tools, and what kind of response they are considering to the petitions

Expected outcome: Decision on how Agency will respond to petitions.

Presenters: Andrew Sawyers, Deborah Nagle OWM, Ken Moraff/R1, Jon Capacasa/R3, Jane Diamond/R9

Discussion Questions: Given limited resources, what should our strategic plan be for dealing with existing discharges and how do the petitions fit within our priorities? What tools do we have or need to develop to evaluate and respond to the petitions?

5:15 – 5:45 **DWSRF and ULO Reduction Strategy**

Purpose: The Drinking Water State Revolving Fund program needs to address high unliquidated obligations (ULO). Recently, EPA Region 9 sanctioned the California DWSRF program for high levels of unliquidated obligations.

Expected Outcome: Understanding the impact of high ULO on the SRF programs; key elements and framework for a strategy that addresses unliquidated obligations in the Drinking Water State Revolving Fund Program; and how to successfully implement ULO reductions.

Presenters: Peter Grevatt/OGWDW, Jane Diamond/R9

Discussion Questions: 1) What do the Regions need from HQ? 2) How can the Regions work with states to identify and share currently-used best practices of state federal funds management for the DWSRF? 3) How will the Regions communicate with states with high ULO on funds management approaches? 4) How can we best encourage all states to move towards a cash-flow management business model or equivalent approach? 5) What concerns do Regions have regarding achieving and maintaining ULO reduction?

5:45 – 6pm **Progress Made from Last Meeting**

ODs and/or their staff go over progress made in key areas on last DD agenda Including Integrated Planning, CWA/SDWA collaborative, green infrastructure, nutrients

6 - 6:15pm Recap of Day; Preview of Day 2 - Garcia/Hoskie

6:16 PM. **Networking Activity: Sheraton Courtyard**

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Day 2 – Wednesday, September 11 – STATE and EPA ATTENDEES

8:00 – 8:15 **Introductions – EPA and State Associations (Bert/Sadie)**

8:15 – 9am **Priorities, Challenges, Budget for the National Water Program (Nancy Stoner, OW)**

9:00 – 10:00 **State Water Associations (ACWA, ASDWA, ECOS, GWPC)**

(15 minutes per assn.)

- What do your organization and its members believe are the two or three most important water issues we are most compelled to address together?
- What challenges or obstacles are you most concerned about?
- What constructive feedback do you have for EPA?

10:00 – 10:15 **Break**

10:15 – 11:15 **Municipal Separate Storm Sewer Systems (MS4s)**

Purpose: Discuss the status of MS4 permits and agree on steps to take to improve permits. MS4 discharges are a common cause of water quality impairment and many MS4 permits lack the specificity needed to adequately control the discharges to protect water quality. The regulations established an expectation that permits would be strengthened as they are renewed to provide better protection, however, this has not always happened for a variety of reasons. Further, many MS4 permits are expired.

Expected Outcome: Agree on ways to improve permits

Presenters: Andrew Sawyers, Deborah Nagle/OWM, Jane Diamond/R9, Shellie Chard-McClary, Mike Fulton, Alex Dunn/ACWA

Discussion Questions: Since the stormwater rule does not include requirements for retrofits, what other tools can effectively address water quality impairments from existing sources – in MS4 areas and outside them? How effective are these tools? To the extent we rely on MS4 permits as the vehicle to address existing sources, how do we consider the financial capability of MS4s in implementing retrofit requirements?

11:15 – 11:45 **The Next Generation of State Revolving Fund Programs**

Purpose: discuss challenges and opportunities for the SRF programs in an era of reduced federal funding.

Expected Outcome: Identify focus areas and priorities for federal funding in the longer term (FY15 and beyond)

Presenters: Peter Grevatt/OGWDW, Andrew Sawyers/OWM, Jon Capacasa/R3, Bill Honker/R6

Discussion Questions: Assuming reduced federal funding for the SRFs in the coming years, --what are some of the challenges your states face in managing their SRF programs now and in the long run?

-- Describe impacts/concerns related to state program operations [for example, set asides and 4% administrative funding] and potential state responses

--Given the revolving nature of the SRFs, states will have continued access to infrastructure funds even absent federal capitalization, however that is not the case for tribes, territories and the District of Columbia. What approaches should EPA consider to continue to support these underserved communities?

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--The SRFs currently have substantial flexibility in the types of assistance that may be provided, however, some potentially powerful options are rarely used (loan guarantees). Have your states expressed interest in exploring such options and do they have the expertise and resources to undertake such alternatives?

--What is your vision for the SRF program moving forward? What is your Region's perspective on the future role of the SRF program in relation to other infrastructure financing options?

11:45 – 1:00 **Lunch** on your own

1:00 – 2:00 **Promoting Technology Innovation in the National Water Program**

Purpose: Discuss actions EPA can take or enable others to take to foster technology innovation to address water resource challenges. This session will include: Brief update on efforts to promote technology innovation across the Water Program; "Lightning round" descriptions of examples of innovations from Regions/States (3-5 minutes each); Brainstorming of ideas and actions the Water program can foster and support; Preview of the revised (Version 2) of the Technology Innovation Blueprint

Expected Outcomes: 1) Highlight game changing examples of technology innovation and 2) identify EPA actions that enable and promote technology innovation

Presenters: Nancy Stoner/OW, Jeff Lape/OST, Jim Giattina/R4 and other Region Reps

Discussion Questions: What are the key actions that EPA and States can foster to promote technology innovation as a means to accelerate our progress on water resource (quality and quantity) issues. Are we hearing about particular barriers that are attributed to EPA's or State programs/policies? Are there actions we can take to remove barriers or create incentives for innovation? We have drafted the next version (V2.0) of the Blueprint. Any immediate reaction on the direction this is taking? Are there specific places where a visit by the AA for Water could help highlight innovation?

2:00 – 3:00 **Drought and Water Impacts**

Purpose: Short presentation on work underway through National Disaster Recovery Framework and the President's Climate Action Plan. Review drought related impacts to EPA water programs. For example, R6 is working with TX and some communities in TX that are having to use raw water sources that, when treated, still don't meet MCLs. It may take several years to build the treatment facilities to meet MCLs. Communities are also approaching R6 about the "near direct" use of recycled/reclaimed wastewater.

Expected Outcome: Recognition of how drought impacts the EPA water program and what is at stake. Development of working group on drought that could include state representation.

How do other regions and states plug into efforts underway?

Presenters: Ellen Gilinsky, Roger Gorke OW

Discussion Questions: We should expect more of these types of situations. How do we respond to the impacts of drought on water programs (drinking water and clean water) vis a vis lack of suitable water supplies or not meeting water quality standards?

3:00 – 3:15 Break

3:15 – 4:15 **Climate Change: The Water Perspective**

Purpose: To review the water elements of the President's Climate Change Plan and to describe tools related to climate change.

Expected Outcome: Improved understanding of water program climate change directions and tools

Presenters: Jeff Peterson; Review of the President's Climate Change Plan
Curt Baranowski; Climate Resilience Evaluation and Awareness Tool (CREAT)
Rachael Novak, Stormwater Calculator

Michael Craghan; Watershed Climate Adaptation Workbook

Discussion Questions: How can EPA, States and water utilities work together to assure that clean water and drinking water programs operate effectively in a changing climate? What can EPA do to assist States in understanding and responding to the water relate impacts of climate change?

4:15 – 5:15

Nutrients

Purpose: Productive EPA-State dialogue re: how to make more progress on permitting nutrients at POTWs in states w/out numeric nutrient criteria and with few TMDLs for nutrient-related impairments.

Expected Outcome: Clear understanding of next steps EPA and States will take.

Presenters: Tom Wall/OWOW; Deborah Nagle/OWM; Tinka Hyde/R5; Alex Dunn/ACWA; Shellie Chard McClary/OK; Mike Fulton/AZ

Discussion Questions: Questions will be developed based on Day 1's discussion

5:15 – 5:30

Day Wrap up; Preview of Day 3 – Garcia/Hoskie

5:30 pm

Networking Activity – Sheraton Courtyard

Day 3 – Thursday, September 12 – EPA ATTENDEES

- 7:00 – 8:00 **Breakfast: Regional Water Division Directors, Nancy Stoner, Mike Shapiro, Ken Kopocis, Ellen Gilinsky, Office Directors – Sheraton Hotel Café**
Top issues Regions want to raise with OW top management
- Reflections on previous days' discussions
- 8:15 – 8:20 **Overview of morning meeting (Sadie/Bert)**
- 8:20 – 9:20 **Downstream Protection in Water Quality Standards**
Purpose: Although many states may accomplish some protection of downstream waters through their permitting processes, too often there is no explicit consideration of downstream protection when establishing or revising water quality standards (WQS). This has resulted in states and EPA being vulnerable to litigation where downstream waters are not protected. Importantly, the EPA's implementing WQS regulations at 40 CFR 131.10(b) say: "In designating use of a waterbody and the appropriate criteria for those uses, the State shall take into consideration the water quality standards of downstream waters and shall ensure that its water quality standards provide for the attainment and maintenance of the water quality standards of downstream waters." To assist states in meeting this requirement, OST (with support of the WQS Managers Association) is developing several possible products: (1) templates for narrative criteria to protect downstream waters; (2)) FAQs on Downstream Protection in WQS" and (3) a "decision tree" tool for helping states decide where and when to use numeric vs. narrative downstream criteria and, for numeric downstream criteria, how to decide which development approach is best for the situation.
Expected Outcome: Input on products being developed and on what changes are needed if any, including specific discussion on key aspects of the draft FAQs.
Presenters: Sara Hisel-McCoy/OST, Shari Barash/OST
Discussion Questions: (Questions are in the context of the FAQs for Downstream Protection in WQS)
1. Can you support the consideration described as "**Consider the distance downstream to which loading of pollutants from a waterbody -- when those pollutants are at their criteria levels-- could cause an impairment?**"
 - * If not, why not?
 - * What are alternative ways to express "how far downstream?"
 2. When thinking about the consideration to "Prioritize downstream protection WQS development" and the list of situations provided in the FAQ, is there anything that should be added/deleted?
 3. In addition to the tools and approaches described in the FAQs, are there other approaches or tools that may be useful to include?
 4. Please be prepared to discuss any current examples of downstream boundary WQS disputes between jurisdictions in your Region (e.g., between states, between a state and a tribe). Consider how the three products discussed in the session would impact those situations?
- 9:20 – 10:20 **Aquifer Exemptions**
Purpose: Describe the approach states use to issue Aquifer Exemptions; describe the approach EPA uses to approve or disapprove aquifer exemptions. Review potential approaches for ensuring that decisions related to aquifer exemptions are appropriately documented, technically supported, and defensible. Discuss current issues facing EPA decision-makers.
Expected Outcome: Develop a collective understanding of the importance of appropriately

documenting aquifer exemption decisions, and obtain support for consistent approach to reviewing aquifer exemptions. Identify a strategy for clarifying the AE process.

Presenters: Peter Grevatt, Ann Codrington/OGWDW and Bill Honker/R6

Discussion Questions: What should EPA do to respond to a growing number of requests to exempt aquifers (or portions) for the purpose of oil and gas, or mineral extraction in areas where there may be public interest in protecting groundwater? What documentation should apply to past decisions? What is the best strategy for clarifying how aquifer exemptions should be done?

10:20 – 10:30 Break

10:30 – 11:30 **Wetlands and CWA 404**

Purpose: Bolstering EPA's wetland program in the face of resource, legal, and political/stakeholder challenges

Expected Outcome: Executive engagement and ongoing input

Presenter(s): David Evans/OWOW, Regions 3, 5, 7, 10

Discussion Questions:

- CWA jurisdiction (R5 – T.Hyde): What HQ and Regional staff and leadership actions can better support assertion of CWA jurisdiction?
- Oversee 404(b)(1) guidelines/permit reviews (R3 – R. Pomponio): How can Regions best prepare & present permit actions to HQ for support?
- Enhance State/Tribal wetlands programs (R7 – K. Flournoy): How can we most effectively advance Wetlands Fed/State/Tribal partnerships?
- Water Quality/habitat program linkages (R10 – D. Opalski or D.Allnutt): Where is watershed assessment most needed to protect the highest value watersheds? Should we prioritize candidates for future WS assessments?

11:30 – noon **Urban Waters Strategic Planning – Mike Shapiro**

Purpose: Provide overview of Urban Waters program and strategic planning process and goals. Present a summary of feedback from regional and headquarters management conversations to date. Address "Discussion Questions" below. Review next steps and schedule for finalizing an Urban Waters Strategic Plan that will guide the program over the next five years.

Expected Outcomes: Agree on process to finalizing the Strategic Plan and reach agreement on the final schedule. Understand cross-water program linkages that can be advanced with Urban Waters goals. Identify two management advisors to help with the inclusion of our OneEPA (OSWER, ORD, OEI, ORD, OSC) partners.

Presenters: Mike Shapiro/OW, Bill Honker/R6, Bert Garcia/R8, Surabhi Shah/OW

Discussion Questions: What Urban Waters core program elements are most beneficial to your organization and how are they advancing your overall water program goals?

- Urban Waters Small Grants
- Learning Network
- Urban Waters Federal Partnership
- Public-Private Partnership with National Fish and Wildlife Foundation
- Urban Waters Ambassadors
- Urban Waters Mapper

What would you like to see achieved in the national Urban Waters program arena over the next five years? (Below are a few ideas from the Strategic Planning conversations with regions & HQ)

- Clearinghouse: a one-stop shop for getting the information you need, "accelerate the learning curve for place-based project leaders."

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- Green infrastructure
- Trash-free waters
- Sediment contamination
- Nutrients
- Ambassadors for all Urban Waters Federal Partnership locations (leveraged from other Agencies and localities)
- Inspire action by making data more accessible and relevant.
 - Assist in development of citizens monitoring programs
 - develop tools for data collection
 - Resolve state's concerns over acceptability of 3rd-party data

Noon – 12:30 **Meeting Wrap Up**
 --Evaluation of meeting: what worked/what didn't
 --Next Meeting: when, location, format
 --Closing Remarks

12:30 **Meeting Adjourns**